



# CITY OF LODI

Carnegie Forum  
305 West Pine Street, Lodi

Lodi Public Improvement Corporation  
of the Lodi City Council

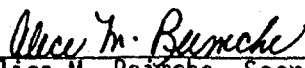
DATE: Wednesday, December 4, 1991

TIME: 7:30 p.m.

## ANNUAL MEETING OF THE LODI PUBLIC IMPROVEMENT CORPORATION

1. Call to order - President James W. Pinkerton, Jr.
2. Roll call to be recorded by Secretary Alice M. Reimche
3. Approve minutes of meeting of September 4, 1991
4. Refinance Certificates of Participation for White Slough Water Pollution Control Facility project (Resolution No. 91-3)
5. Adjournment

Pursuant to Section 54956.2(a) of the Government Code of the State of California, this Agenda **was** posted at a public place freely accessible to the public 24 hours day.

  
\_\_\_\_\_  
Alice M. Reimche, Secretary  
Lodi Public Improvement Corporation  
of the City of Lodi

For information concerning this Agenda  
please contact Alice M. Reimche, City Clerk,  
Telephone - 333-6702

AGN9#48/TXTA.02J/AGENDAS



# CITY OF LODI

## COUNCIL COMMUNICATION

AGENDA TITLE: Annual Meeting of Lodi Public Improvement Corporation

MEETING DATE: December 4, 1991

PREPARED BY: City Clerk

RECOMMENDED ACTION: That the Lodi Public Improvement Corporation hold its annual meeting.

BACKGROUND INFORMATION: On May 2, 1990, the Lodi Public Improvement Corporation Board of Directors adopted Resolution No. 90-1 amending the date of the annual meeting of the Lodi Public Improvement Corporation to the first Wednesday in December. This action was taken so that the date of the Annual Meeting would be consistent with the certification of general municipal elections.

The order of business for this meeting as set forth in Section 9 of Article II of the bylaws of the Lodi Public Improvement Corporation sets forth the order of business as follows:

- a) Report on the number of Directors present in person in order to determine the existence of a quorum.
- b) Reading of the notice of the meeting and proof of the delivery or mailing thereof, or the waiver or waivers of notice of the meeting then filed, as the case may be.
- c) Reading of unapproved minutes of previous meetings of the Board of Directors and the taking of action with respect to approval thereof.
- d) Presentation and consideration of reports of officers and committees.
- e) Unfinished business.
- f) New business.
- g) Adjournment.

FUNDING: None required.

*Alice M. Reimche*  
Alice M. Reimche  
City Clerk

AMR/jmp

APPROVED: \_\_\_\_\_

THOMAS A. PETERSON  
City Manager



MINUTES  
LODI PUBLIC IMPROVEMENT CORPORATION  
CARNEGIE FORUM  
305 WEST PINE STREET  
LODI, CALIFORNIA  
WEDNESDAY, SEPTEMBER 4, 1991

The meeting of the Lodi Public Improvement Corporation was called to order by President David M. Hinchman at 11:10 p.m.

Roll was recorded by the Secretary Alice M. Reimche as follows:

Present: Corporation Board Members - Pennino, Pinkerton,  
Sieglock, Snider and  
Hinchman (President)

Absent: Corporation Board Members - None

Also Present: City Manager Peterson, Treasurer Dixon Flynn  
and Secretary Alice Reimche

Treasurer Dixon Flynn advised the Corporation Board Members that the Local Agency Investment Fund (LAIF) is a voluntary investment program for local governments administered by the California State Treasurer. Legislation permits a governmental unit, such as the LPIC, with consent of the governing body of that agency, to deposit monies in this special fund.

Currently, the Treasurer invests monies in a variety of instruments including LAIF (City of Lodi account), money market funds, certificates of deposit, bankers acceptances and treasury notes. The authorization of the LPIC to utilize a LAIF account will provide an additional toll for the investment of monies.

The benefits of investing in LAIF include:

1. Higher Yields

LAIF combines large pools of cash. Because of the size of its investment portfolio, LAIF normally provides higher yields than other investments made by the City. LAIF currently pays the highest interest rate for funds invested (6.96%) in comparison to the other types of investments (with rates ranging from 5.30% to 7.00%).

2. Liquidity/No Minimum Investment Period

LAIF allows withdrawal of monies to meet cash requirements in 24 hours or less. Most other investments require a maturity date defined by staff based on the projection of cash needs. This does not allow for any unexpected requirements.

Continued September 4, 1991

3. Lower Investment Costs

LAIF seldom has investment costs associated with transactions because of its ability to pool cash balances and invest much larger amounts. Normally, there is a charge by transaction or administrative fee for purchases of other investment instruments.

4. Investment Expertise

The State Treasurer's office is in constant touch with investment markets and handles a large volume of transactions for local agencies in California. Their staff is devoted to investment activities including discussing any questions regarding the pool or our accounts.

5. Lower Risk

LAIF is considered one of the safest instruments for the investment of City funds because of its diversity.

Following discussion with questions being directed to Mr. Flynn, the Lodi Public Improvement Corporation on motion of Board Member Pinkerton, Hinchman second, adopted Resolution No. 91-2 authorizing the deposit and withdrawal of monies in the Local Agency Investment Fund of the State Treasury and the persons authorized to order the deposit or withdrawals of monies from this account.

There being no further business to come before the Corporation, President Hinchman adjourned the meeting at approximately 11:15 p.m.

Attest:

  
Alice M. Reimche  
Secretary  
Lodi Public Improvement Corporation



# CITY OF LODI

## COUNCIL COMMUNICATION

AGENDA TITLE: Refinance Certificates of Participation for White Slough Water Pollution Control Facility Expansion Project

MEETING DATE: December 4, 1991

PREPARED BY: City Manager

RECOMMENDED ACTION: That the Lodi Public Improvement Corporation adopt Resolution **No. 91-3** (Exhibit A) authorizing the President, the Executive Director or the Treasurer to execute the appropriate documents to accomplish the refinancing of the Certificates of Participation issued to fund the White Slough Water Pollution Control Facility expansion project, with the proviso that the minimum net return to the City's Sewer Fund be \$900,000, and with an extension of the bond redemption retirement date from the year 2018 to 2026.

BACKGROUND INFORMATION: The City of Lodi is in a position to refinance the Certificates of Participation issued in July, 1988 to fund the expansion of the White Slough Water Pollution Control Facility which has now been essentially completed. There is the potential to recover a minimum of \$900,000 net to the City to be placed in the Sewer Fund for purposes of reserve and future use as may be determined from time to time by the City Council. With the Corporation's approval, it is further recommended that this refinancing be closed no later than December 20, 1991. The significance of closing in this calendar year is that it leaves 1992 clear for the issuance of any other financing up to \$5,000,000 which would not be subject to arbitrage restrictions. While no such financings are contemplated at this time for 1992, it is in the City's best interest to retain the flexibility afforded by moving into the new year unencumbered in this regard.

The City's Financial Advisor, John Fitzgerald, will be in attendance at Wednesday night's meeting to assist in this presentation and to answer any questions the Corporation's officers may have.

APPROVED: \_\_\_\_\_


THOMAS A. PETERSON  
City Manager



Refinance Certificates of Participation for White Slough Water Pollution  
Control Facility Expansion Project  
December 4, 1991  
Page Two

FUNDING: None required.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Thos. A. Peterson".

Thomas A. Peterson  
City Manager

TAP:tp

**LODI PUBLIC IMPROVEMENT CORPORATION****RESOLUTION NO. 91-3****A RESOLUTION APPROVING, AUTHORIZING AND  
DIRECTING EXECUTION OF CERTAIN INSTALLMENT SALE  
FINANCING DOCUMENTS AND AUTHORIZING AND DIRECTING  
CERTAIN ACTIONS WITH RESPECT THERETO**

RESOLVED, by the Lodi Public Improvements Corporation (the "Corporation"):

**WHEREAS**, the City of Lodi (the "City"), working together with the Corporation, has caused Certificates of Participation (1988 Wastewater Treatment Plant Expansion Project) (the "Prior Certificates") to be executed and delivered in the aggregate principal amount of \$9,415,000, the proceeds of which were used to finance the construction of certain improvements to its municipal sewer system (the "Project"); and

**WHEREAS**, the City proposes to refinance the Project and it is in the public interest and for the public benefit that the Corporation authorize and direct execution of the installment Sale Agreement (as hereinafter defined) and certain other financing documents in connection therewith; and

**WHEREAS**, the documents below specified shall be filed with the Corporation, and the members of the Corporation, with the aid of its staff, shall review said documents;

NOW, THEREFORE, it is hereby ORDERED and DETERMINED, as follows:

**Section 1.** The President, the Executive Director or the Treasurer is hereby authorized and directed to have prepared, and to review upon preparation thereof, the below-enumerated documents, the review and execution thereof as herein provided being conclusive evidence of the approval of such documents by the City, and any one of the President, the Executive Director or the Treasurer is hereby authorized and directed to execute said documents, with such changes, insertions and omissions as may be approved by such official, and the Secretary is hereby authorized and directed to attest to such official's signature:

(a) an acquisition agreement, relating to the Project, between the City, as seller, and the Corporation, as purchaser;

(b) an installment sale agreement, relating to the Project, between the Corporation, as seller, and the City, as purchaser (the "Installment Sale Agreement");

(c) an assignment agreement, by and between the Corporation and the Trustee as hereinafter defined, pursuant to which the Corporation will assign certain of its rights under the Installment Sale Agreement, including its right to receive installment Payments thereunder, to the Trustee; and

(d) a trust agreement, by and among the Corporation, the City and a trustee to be named therein, as trustee (the "Trustee"), relating to the financing and the execution and delivery of certificates of participation evidencing the direct, undivided fractional interests of the owners thereof in installment payments to be made by the City under the Installment Sale Agreement.

**Section 2.** The President, the Executive Director, the Treasurer, the Secretary and other officials of the Corporation are hereby authorized and directed to execute such other agreements,

documents and certificates as may be necessary to effect the purposes of this resolution and the lease financing herein authorized.

Section 3 This Resolution shall take effect upon its adoption by this Board.

\*\*\*\*\*

I, the undersigned Secretary of the Lodi Public Improvement Corporation, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted by the Board of Directors of the Corporation at a meeting thereof on the 4th day of December, 1991, by the following vote of the members thereof:

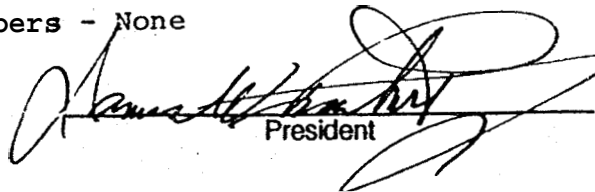
AYES Corporation Members - Hinchman, Pennino, Sieglock,  
Snider and Pinkerton (President)

NOES: Corporation Members - None

ABSTAIN ED: Corporation Members - None

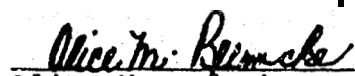
ABSENT: Corporation Members - None

ATTEST

  
President

  
Secretary

The foregoing document is  
certified to be a correct  
copy of the original on  
file in this office.

  
Alice M. Reimche  
Secretary  
Lodi Public Improvement Corporation





# CITY OF LODI

## COUNCIL COMMUNICATION

AGENDA TITLE: Refinance Certificates **of** Participation for White Slough Water Pollution Control **Facility** Expansion Project

MEETING DATE: December 4, 1991

PREPARED BY: City Manager

RECOMMENDED ACTION: That the City Council adopt Resolution **No. 91-227** (Exhibit A) authorizing the Mayor, the City Manager or the Finance Director to execute the appropriate documents to accomplish the refinancing of the Certificates of Participation issued to fund the White **Slough** Water Pollution Control Facility expansion project, with the proviso that the minimum net return to the City's Sewer Fund be **\$900,000**, and with an extension of the bond redemption retirement date from the year 2018 to 2026.

BACKGROUND INFORMATION: The City **of** Lodi is in a position to refinance the Certificates of Participation issued in July, 1988 to fund the expansion of the White Slough Water Pollution Control Facility which has now been essentially completed. There is the potential **to** recover a minimum **of \$900,000** net to the City to be placed in the Sewer fund **for** purposes of reserve and future use **as** may be determined from time to time **by** the City Council. With City Council approval, it is further recommended that this refinancing be closed no later than December 20, 1991. The significance of closing in this calendar year is that it leaves 1992 clear for the issuance of any other financing up to \$5,000,000 which would not **be** subject to arbitrage restrictions. Cities can annually **issue** bonds and/or certificates up to a maximum of \$5,000,000 without incurring arbitrage penalties. While no such financings are contemplated at **this** time for 1992, it is in the **City's** best interest to retain the flexibility afforded by moving into the new year unencumbered in this regard.

The City's Financial Advisor, John Fitzgerald, will be in attendance at Wednesday night's meeting to assist in this presentation and to answer any questions Councilmembers may have.

APPROVED: \_\_\_\_\_

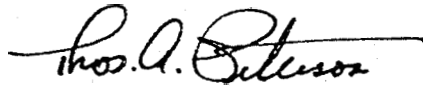
THOMAS A. PETERSON  
City Manager



Refinance Certificates of Participation for White Slough Water Pollution  
Control Facility Expansion Project  
December 4, 1991  
Page Two

FUNDING: None required.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Thomas A. Peterson", with a long horizontal flourish extending to the right.

Thomas A. Peterson  
City Manager

TAP :tp

CITY OF LODI, CALIFORNIARESOLUTION NO. 91-227

A RESOLUTION APPROVING, AUTHORIZING AND DIRECTING  
EXECUTION OF CERTAIN INSTALLMENT SALE FINANCING  
DOCUMENTS IN CONNECTION WITH THE OFFERING AND SALE OF  
CERTIFICATES OF PARTICIPATION RELATING THERETO AND  
DIRECTING CERTAIN ACTIONS **WITH** RESPECT THERETO

RESOLVED, by the City Council of the City of Lodi, California (the "City"):

WHEREAS, the City, working together with the Lodi Public Improvement Corporation (the "Corporation"), has caused Certificates of Participation (1988 Wastewater Treatment Plant Expansion Project) (the "Prior Certificates") to be executed and delivered in the aggregate principal amount of \$9,415,000, the proceeds of which were used to finance the construction of certain improvements to its municipal sewer system (the "Project");

WHEREAS, the City proposes to refinance the Project and it is in the public interest and for the public benefit that the City authorize and direct execution of the hereinafter defined Installment Sale Agreement and certain other financing documents in connection therewith;

WHEREAS, Seidler-Fitzgerald Public Finance (A Division of Seidler Amdec Securities Inc.) (the "Underwriter") has been directed to prepare a preliminary official statement containing information material to the offering and sale of the Certificates of Participation described below (the "Preliminary Official Statement"); and

WHEREAS, the documents below specified **shall** be filed with the City and the members of the City Council, with the aid of its staff, **shall** review said documents;

NOW, THEREFORE, it is hereby ORDERED and DETERMINED, as follows:

**Section 7.** Certificates of Participation (1991 Wastewater Treatment Plant Expansion Refinancing Project) (the "1991 Certificates") are hereby authorized to be executed and delivered pursuant to the provisions of the Trust Agreement hereinafter defined; *provided, however*, the payments of principal and interest with respect to the 1991 Certificates shall create a present value savings in comparison to the payments of principal and interest with respect to the Prior Certificates of not less than \$900,000. The Mayor, the City Manager or the Finance Director is hereby authorized and directed to establish the principal amount of 1991 Certificates to be executed and delivered and to establish any other terms and provisions with respect to the 1991 Certificates, so long as such terms and provisions are substantially similar to the terms and provisions of the Prior Certificates.

**Section 2.** The Mayor, the City Manager or the Finance Director is hereby authorized and directed to have prepared, and to review upon preparation thereof, the below-enumerated documents, the review and execution thereof as herein provided being conclusive evidence of the approval of such documents by the City, and any one of the Mayor, the City Manager or the Finance Director is hereby authorized and directed to execute said documents, with such changes, insertions and omissions as may be approved by such official, and the City Clerk is hereby authorized and directed to attest to such official's signature:

fa) an acquisition agreement, relating to the Project, between the City, as seller, and the Corporation, as purchaser;

(b) an installment sale agreement, relating to the Project, between the Corporation, as seller, and the City, as purchaser (the "Installment Sale Agreement");

(c) a trust agreement, by and among the Corporation, the City and an institution to be named therein, as trustee (the "Trust Agreement"), relating to the financing, and the execution and delivery of the 1991 Certificates evidencing the direct, undivided fractional interests of the owners thereof in installment payments to be made by the City under the Installment Sale Agreement; and

(d) an escrow trust and deposit agreement, by and between the City and the trustee for the Prior Certificates pursuant to which the Prior Certificates will be defeased.

**Section 3** The City hereby approves the preparation of a Preliminary Official Statement describing the financing, together with any changes therein or additions thereto deemed advisable by the Mayor, the City Manager or the Finance Director. The City authorizes and directs the Finance Director, on behalf of the City, to deem "final" pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule") the Preliminary Official Statement prior to its distribution by the Underwriter.

**Section 4** The Underwriter, on behalf of the City, is authorized and directed to cause the Preliminary Official Statement to be distributed to such investors and other persons as may be interested in purchasing the 1991 Certificates therein offered for sale if, in its judgment, such distribution would enhance the marketing of the 1991 Certificates.

**Section 5** The Mayor, the City Manager or the Finance Director is hereby authorized and directed to have prepared, and to review upon preparation thereof, a contract of purchase, by and between the Underwriter and the City, pursuant to which the Underwriter agrees to purchase the 1991 Certificates, the review and execution thereof as herein provided being conclusive evidence of the approval of such contract of purchase hereby, and the Mayor, the City Manager or the Finance Director is hereby authorized and directed to execute said document, with such changes, insertions and omissions as may be approved by such official.

**Section 6** The Mayor, the City Manager or the Finance Director is authorized and directed to cause the Preliminary Official Statement to be brought into the form of a final official statement (the "Final Official Statement") and to execute said Final Official Statement, dated as of the date of the sale of the 1991 Certificates, and a statement that the facts contained in the Final Official Statement, and any supplement or amendment thereto (which shall be deemed an original part thereof for the purpose of such statement) were, at the time of sale of the 1991 Certificates, true and correct in all material respects and that the Final Official Statement did not, on the date of sale of the 1991 Certificates, and does not, as of the date of delivery of the 1991 Certificates, contain any untrue statement of a material fact with respect to the City or omit to state material facts with respect to the City required to be stated where necessary to make any statement made therein not misleading in the light of the circumstances under which it was made. The Mayor, the City Manager or the Finance Director shall take such further actions prior to the signing of the Final Official Statement as are deemed necessary or appropriate to verify the accuracy thereof. The execution of the final Official Statement, which shall include such changes and additions thereto deemed advisable by the Mayor, the City Manager or the Finance Director and such information permitted to be excluded from the Preliminary Official Statement pursuant to the Rule, shall be conclusive evidence of the approval of the final Official Statement by the City.

**Section 7** The Final Official Statement, when prepared, is approved for distribution in connection with the offering and sale of the 1991 Certificates.

**Section 8** The Mayor, the City Manager, the Finance Director, the City Clerk and all other appropriate officials of the City are hereby authorized and directed to execute such other

agreements, documents and certificates as may be necessary to effect the purposes of this resolution and the financing herein authorized.

**Section 9.** This Resolution shall take effect upon its adoption by this City Council.

\*\*\*\*\*

I, the undersigned City Clerk of the City of Lodi, hereby certify that the foregoing is a full, true and correct copy of 3 resolution duly adopted by the City Council of the City at a meeting thereof on the 4th day of December, 1991, by the following vote of the members thereof:

AYES: Council Members - Hinchman, Pennino, Sieglock,  
Snider and Pinkerton (Mayor)  
NOES: Council Members - None  
ABSTAIN ED: Council Members - None  
ABSENT: Council Members - None

ATTEST:

Glenn M. Perrin  
City Clerk

James L. Hinchman  
Mayor

The Foregoing Document is Certified  
To Be A Correct Copy Of The Original  
On File In This Office.

Jennifer M. Perrin  
Deputy City Clerk, City Of Lodi  
By Jennifer M. Perrin  
Dated: 12/6/91

CITY, COUNCIL

JAMES W. PINKERTON, Mayor  
PHILLIP A. PENNINO  
Mayor Pro Tempore  
DAVID M. HINCHMAN  
JACK A. SIEGLOCK  
JOHN R. (Randy) SNIDER

CITY OF LODI

CITY HALL, 221 WEST PINE STREET  
P.O. BOX 3006  
LODI, CALIFORNIA 95241-1910  
(209) 334-5634  
FAX (209) 333-6795

THOMAS A. PETERSON  
City Manager  
ALICE M. REIMCHE  
City Clerk  
BOB McNATT  
City Attorney

December 6, 1991

Mr. Brian D. Quint  
Jones Hall Hill & White  
Attorneys-at-Law  
Four Embarcadero Center  
Nineteenth Floor  
San Francisco, CA 94111

Dear Mr. Quint:

Pursuant to our telephone conversation of this date, enclosed please find six certified copies of each of the following documents:

- a) Resolution No. 91-3 entitled, "A Resolution Approving, Authorizing and Directing Execution of Certain Installment Sale Financing Documents and Authorizing and Directing Certain Actions with Respect Thereto"; and
- b) Resolution No. 91-227 entitled, "A Resolution Approving, Authorizing and Directing Execution of Certain Installment Sale Financing Documents in Connection with the Offering and Sale of Certificates of Participation Relating Thereto and Directing Certain Actions with Respect Thereto".

Should you have any questions regarding this matter, please do not hesitate to call this office.

Very truly yours,

*Alice M. Reimche*  
Alice M. Reimche  
city Clerk

AMR/jmp

Enclosures